

Designation Run Report

# Elkins, Nathan - Plaintiffs' Submission

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Elkins, Nathan 11-14-2018

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**Plaintiffs Affirmative Designations 00:12:44**

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**Plaintiffs Counter Counters 00:01:35**

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**Defense Completeness Counters 00:06:42**

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**Total Time 00:21:02**



## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
9:14 - 9:18	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b> 9:14 Q. Good morning, Mr. Elkins. 9:15 My name is Scott Simmer, we just met a 9:16 moment ago. I'm going to be asking you 9:17 some questions today on behalf of the 9:18 plaintiffs in the opioid litigation.	NE06.1
11:03 - 11:09	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b> 11:3 Q. And you understand you must 11:4 answer truthfully, correct? 11:5 A. Correct. 11:6 Q. And that there are penalties 11:7 for answering -- failing to answer a 11:8 question truthfully, right? 11:9 A. Correct.	NE06.2
11:21 - 11:24	<b>Elkins, Nathan 11-14-2018 (00:00:05)</b> 11:21 Q. Is there any reason why you 11:22 cannot testify truthfully and accurately 11:23 today? 11:24 A. No, sir.	NE06.3
24:06 - 24:12	<b>Elkins, Nathan 11-14-2018 (00:00:15)</b> 24:6 Q. I'll hand you what we marked 24:7 as Exhibit-1. 24:8 I'll identify it for the 24:9 record as a LinkedIn page, which I think 24:10 is one that's yours. 24:11 Can you review that and see 24:12 if that is, indeed, your LinkedIn page?	NE06.4 P-44583_1.1
24:13 - 24:19	<b>Elkins, Nathan 11-14-2018 (00:00:18)</b> 24:13 A. That's me. Yes, sir. 24:14 Q. And the content on this is 24:15 content that you created? 24:16 A. Some content I created, some 24:17 I got from the job description and put 24:18 within my roles within the company. But, 24:19 yes, I crafted this profile.	NE06.5 P-44583_1.1.2
26:13 - 27:05	<b>Elkins, Nathan 11-14-2018 (00:00:38)</b> 26:13 Q. Your 26:14 first job post-high school, what was 26:15 that? 26:16 A. So I was a retail car	NE06.6 clear

## NE06-Elkins, Nathan - Plaintiffs' Submission

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26:17 salesman at a dealership that's no longer

26:18 in business in 1996.

26:19 Q. And where is that?

26:20 A. Richmond, Kentucky.

26:21 Q. How long did you work there?

26:22 A. Approximately five, six

26:23 years.

26:24 Q. And what was your next job?

27:1 A. It was another dealership.

27:2 Basically, I was in the car business up

27:3 until the time that I started with

27:4 AmerisourceBergen, from May '96 until

27:5 August 21st, 2005.

27:14 - 28:13

**Elkins, Nathan 11-14-2018 (00:01:03)**

NE06.7

27:14 Q. How did you hear about the

27:15 position at AmerisourceBergen?

27:16 A. So one of my neighbors was

27:17 building a team, which was my district

27:18 director. I applied, interviewed, and I

27:19 got hired for the retail account manager

27:20 job and started August 22nd, 2005.

27:21 Q. Can you describe your

27:22 responsibilities as a retail account

27:23 manager?

27:24 A. Yes. So, I mean, basically,

28:1 retain accounts; get new accounts;

28:2 provide solutions so that way our

28:3 customers have a win/win scenario; and

28:4 manage a territory in a certain

28:5 geography, which was Central and Eastern

28:6 Kentucky.

28:7 Q. What do you do to -- what

28:8 did you do in that job to retain

28:9 accounts?

28:10 A. Vendor agreements, buying

28:11 group relationships, solutions to keep

28:12 them in business. You know -- that's all

28:13 I can think of right now.

29:11 - 29:21

**Elkins, Nathan 11-14-2018 (00:00:22)**

NE06.8

29:11 Q. And you also mentioned

## NE06-Elkins, Nathan - Plaintiffs' Submission

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	29:12 solutions to keep them in business.	
	29:13 What is that?	
	29:14 A. Yeah, so we have solutions	
	29:15 to help independent pharmacies, you know,	
	29:16 manage their business, such as business	
	29:17 coaching, Good Neighbor Pharmacy,	
	29:18 different solutions that we have that	
	29:19 separates us from our competition and	
	29:20 helps our customers stay profitable and	
	29:21 from selling to chains.	
36:09 - 36:13	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	<b>NE06.9</b>
	36:9 Q. It says you managed a team	P-44583_1.1.3
	36:10 of six sales executives covering 10,000	
	36:11 accounts, correct?	
	36:12 A. It should say 1,000	
	36:13 accounts, roughly. I have to look.	
36:14 - 36:19	<b>Elkins, Nathan 11-14-2018 (00:00:09)</b>	<b>NE06.10</b>
	36:14 Q. It is 1,000. I'm sorry.	
	36:15 A. Is it? Okay.	
	36:16 Q. Typo on our part.	
	36:17 Is that correct, 1,000	
	36:18 accounts?	
	36:19 A. Yes, roughly.	
60:09 - 60:10	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b>	<b>NE06.11</b>
	60:9 Q. I'll hand you what we've	
	60:10 marked as Exhibit-3. I'll identify it	P-966_1.1
60:11 - 60:15	<b>Elkins, Nathan 11-14-2018 (00:00:24)</b>	<b>NE06.12</b>
	60:11 for the record as an e-mail dated April	P-966_1.1.1
	60:12 11, 2018, Bates number ending 32740 --	
	60:13 it's cut off, I think it's 40, and	
	60:14 attached a prime vendor agreement.	P-966_1.3.1
	60:15 Can you please review that?	
60:16 - 60:17	<b>Elkins, Nathan 11-14-2018 (00:00:05)</b>	<b>NE06.13</b>
	60:16 I'll correct that, it's	
	60:17 Bates ending 327460.	
62:02 - 62:05	<b>Elkins, Nathan 11-14-2018 (00:00:12)</b>	<b>NE06.14</b>
	62:2 Would a pharmacy that wanted	
	62:3 to receive goods from AmerisourceBergen	
	62:4 be required to sign a prime vendor	
	62:5 agreement?	

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
62:08 - 62:23	<b>Elkins, Nathan 11-14-2018 (00:00:27)</b> 62:8 THE WITNESS: We had buying 62:9 group relationships. And the 62:10 buying group -- if an independent 62:11 pharmacy belongs to a buying 62:12 group, the buying group does it on 62:13 their behalf. 62:14 Some do have prime vendors, 62:15 some don't. It depends on what, 62:16 you know, buying group you're 62:17 speaking of. 62:18 Outside of the buying group, 62:19 we have customers that don't have 62:20 prime vendor agreements. But it's 62:21 a common practice that we try to 62:22 get a prime vendor agreement with 62:23 customers on a consistent basis.	NE06.15
77:05 - 77:07	<b>Elkins, Nathan 11-14-2018 (00:00:07)</b> 77:5 Q. And the higher tier you're 77:6 in, the greater your price of goods 77:7 discount is, right?	NE06.16 P-966_1.3.1
77:10 - 77:12	<b>Elkins, Nathan 11-14-2018 (00:00:04)</b> 77:10 THE WITNESS: Yeah, the 77:11 higher the volume, the more 77:12 aggressive the discount is.	NE06.17
77:14 - 77:17	<b>Elkins, Nathan 11-14-2018 (00:00:11)</b> 77:14 Q. And that's true of all 77:15 products other than special price goods 77:16 or C-Its, it says in the first line of 77:17 Paragraph 2, right?	NE06.18 P-966_1.3.3
77:20 - 77:20	<b>Elkins, Nathan 11-14-2018 (00:00:01)</b> 77:20 THE WITNESS: Yes.	NE06.19
80:04 - 80:07	<b>Elkins, Nathan 11-14-2018 (00:00:06)</b> 80:4 Q. So the more the pharmacy 80:5 purchases, the greater the likelihood 80:6 they're going to get a higher percentage 80:7 discount, right?	NE06.20 clear
80:10 - 80:13	<b>Elkins, Nathan 11-14-2018 (00:00:05)</b> 80:10 THE WITNESS: In our 80:11 industry, that's how it's always	NE06.21

## NE06-Elkins, Nathan - Plaintiffs' Submission

Page/Line	Source	ID
116:05 - 116:12	<p>80:12 been, the more you buy, the better 80:13 discount you get.</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:22)</b></p> <p>116:5 Q. Does the sales executive 116:6 have knowledge of the product mix that is 116:7 being ordered by the pharmacy? 116:8 A. No, they don't have 116:9 visibility to the product mix at a given 116:10 pharmacy. The visibility they have is, 116:11 you know, the high level. It doesn't 116:12 break down to controls and percentages --</p>	NE06.22
116:13 - 117:22	<p><b>Elkins, Nathan 11-14-2018 (00:01:12)</b></p> <p>116:13 Q. What's the high level 116:14 visibility that they have? 116:15 A. In The Hub, in the sales 116:16 tab, it shows the total revenue for a 116:17 given account, and that's every dollar 116:18 that that account spends. 116:19 It breaks it down into 116:20 certain categories, like pro-generics, 116:21 OTC purchases, possibly DME and 116:22 specialty. I'm going off memory here. 116:23 But there's no section in 116:24 there where it shows the control 117:1 percentage or mix or anything of that 117:2 nature. 117:3 Q. When you say "control 117:4 percentage," what do you mean? 117:5 A. You said control mix, so, to 117:6 me, that would be control percentage. 117:7 That's how I interpret control mix. I 117:8 think that's how you framed it. 117:9 Q. Well, you used the term 117:10 "control." I'm just trying to 117:11 understand. 117:12 Is that C-Its? 117:13 A. Controls, there's more than 117:14 just C-Its. 117:15 Q. What do you mean by that, 117:16 then?</p>	NE06.23

## NE06-Elkins, Nathan - Plaintiffs' Submission

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117:17 - 118:03	<p>117:17 A. All right. So controls,  117:18 from my understanding, compliance  117:19 would -- you know, this is their  117:20 department. There are C-IIs, IIIs, IVs  117:21 and Vs that the DEA has deemed in certain  117:22 classes. The DEA sets those guidelines.</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:12)</b></p>	NE06.24
118:06 - 118:18	<p>117:23 Q. So you're saying the account  117:24 executives or the sales executives don't  118:1 know what the volume of controlled  118:2 substances that particular pharmacy is  118:3 purchasing, right?</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:27)</b></p> <p>118:6 THE WITNESS: Based on The  118:7 Hub, no. If a CSRA representative  118:8 were to reach out to them and, you  118:9 know, ask specific questions to  118:10 obtain from the customer through  118:11 either the 590, whatever is given  118:12 back from the customer during that  118:13 particular request, they would  118:14 know that.  118:15 But outside of that, they  118:16 don't have visibility to what  118:17 control mix, however you want to  118:18 frame it.</p>	NE06.25
119:19 - 119:24	<p><b>Elkins, Nathan 11-14-2018 (00:00:16)</b></p> <p>119:19 Q. Generally, do the sales  119:20 executives adapt their sales call to the  119:21 particular product mix, as they believe  119:22 it is, for a pharmacy when they're  119:23 calling on a pharmacy?</p>	NE06.26
120:08 - 120:16	<p>119:24 A. Not to my knowledge, no.</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:19)</b></p> <p>120:8 Q. Well, let's just say, for  120:9 example, that a pharmacy is in  120:10 Appalachia, and a number of patients that  120:11 are customers of that pharmacy are  120:12 working in a coal mine.  120:13 Would that be something that</p>	NE06.27

## NE06-Elkins, Nathan - Plaintiffs' Submission

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120:19 - 121:04	<p>120:14 an account executive would be aware of  120:15 and take into account, in terms of the  120:16 interactions with that customer?  <b>Elkins, Nathan 11-14-2018 (00:00:16)</b>  120:19 THE WITNESS: I think every  120:20 geography's patients are different  120:21 and demographic fits that  120:22 criteria.  120:23 So, yes, if you have an  120:24 experienced rep in a geography  121:1 that has experience with their  121:2 customers, they would probably  121:3 have a general idea of what type  121:4 of patients are in that geography.</p>	NE06.28
122:02 - 122:06	<p><b>Elkins, Nathan 11-14-2018 (00:00:10)</b>  122:2 Q. I guess my question is, in  122:3 the Good Neighbor Pharmacy records, is  122:4 there visibility into the levels or  122:5 numbers of controlled substances that a  122:6 particular pharmacy has purchased?</p>	NE06.73
122:09 - 122:15	<p><b>Elkins, Nathan 11-14-2018 (00:00:08)</b>  122:9 THE WITNESS: Not to my  122:10 knowledge, no.  122:11 BY MR. SIMMER:  122:12 Q. How about in the Elevate  122:13 records; is there visibility into the  122:14 levels or numbers of controlled  122:15 substances purchased?</p>	NE06.74
122:18 - 122:19	<p><b>Elkins, Nathan 11-14-2018 (00:00:01)</b>  122:18 THE WITNESS: Not to my  122:19 knowledge.</p>	NE06.75
124:03 - 124:07	<p><b>Elkins, Nathan 11-14-2018 (00:00:10)</b>  124:3 Q. Do account managers get paid  124:4 on a commission?  124:5 A. Commission is a loose term.  124:6 They have a base salary with bonus  124:7 potential.</p>	NE06.29
124:15 - 125:13	<p><b>Elkins, Nathan 11-14-2018 (00:00:51)</b>  124:15 Q. The sales executives, what's  124:16 the range on the bases that they receive?</p>	NE06.30

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124:17 A. Base salaries? It varies on  
124:18 market. HR would have to give you those  
124:19 numbers.

124:20 Q. Well, you certainly know the  
124:21 base salaries for those folks -- those  
124:22 seven folks working for you, right?

124:23 A. I have an idea. But without  
124:24 looking, I couldn't give you exact.

125:1 Q. What's your idea?

125:2 A. It ranges anywhere from 50  
125:3 to 70 base, depending on geography,  
125:4 experience.

125:5 Q. And what's the range on  
125:6 bonuses?

125:7 A. So whatever the salary is,  
125:8 the bonus potential for sales executives  
125:9 is 35 percent of their salary.

125:10 Q. Is the bonus based on  
125:11 hitting certain sales numbers?

125:12 A. Yes, it's a sales role. So  
125:13 yes.

127:24 - 128:01 **Elkins, Nathan 11-14-2018 (00:00:04)**

NE06.76

127:24 Q. So how are these sales  
128:1 targets calculated?

128:04 - 128:21 **Elkins, Nathan 11-14-2018 (00:00:37)**

NE06.77

128:4 THE WITNESS: The  
128:5 compensation department would have  
128:6 to answer that. But, generally,  
128:7 there's a goal given for the year,  
128:8 what the company expects a sales  
128:9 executive, district director, to  
128:10 obtain of the percentage of the  
128:11 bonus that's broken down into  
128:12 categories, each comp year, plan  
128:13 year -- our fiscal year is October  
128:14 1st, so it changes every October  
128:15 1.

128:16 BY MR. SIMMER:

128:17 Q. And it's by each account; is  
128:18 that right?

## NE06-Elkins, Nathan - Plaintiffs' Submission

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128:19	A. It's a number that -- for	
128:20	the entire geography or territory or	
128:21	district.	
128:22 - 129:11	<b>Elkins, Nathan 11-14-2018 (00:00:24)</b>	NE06.31
128:22	Q. So every sales director --	
128:23	sales executive has a sales target,	
128:24	correct?	
129:1	A. Yes.	
129:2	Q. And then you, as a sales	
129:3	director, have targets, which is the	
129:4	aggregate of the people working under	
129:5	you, right?	
129:6	A. Correct.	
129:7	Q. And then the person above	
129:8	you, I think you said that was a regional	
129:9	director, also has a target, right?	
129:10	A. The vice president, yes. It	
129:11	all rolls up.	
131:06 - 132:03	<b>Elkins, Nathan 11-14-2018 (00:00:55)</b>	NE06.32
131:6	Q. And how does exceeding the	
131:7	company's goals result in compensation	
131:8	for you as a district director?	
131:9	A. Obviously, if you hit your	
131:10	goal, you make bonus. If you exceed it,	
131:11	you make more. Each year is different.	
131:12	But, more or less, the higher the number,	
131:13	the more you make.	
131:14	Q. How do yours differ one to	
131:15	the next?	
131:16	A. Say that one more time, sir.	
131:17	Q. How does -- you said each	
131:18	year is different.	
131:19	How do the years differ?	
131:20	A. TRV is just one portion of	
131:21	the bonus for a sales executive or	
131:22	district director. There's other metrics	
131:23	that make up that 35 percent. TRV is one	
131:24	component of that.	
132:1	Q. What is TRV?	
132:2	A. Total revenue. It's an	

## NE06-Elkins, Nathan - Plaintiffs' Submission

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135:18 - 135:20	132:3 accounting term. <b>Elkins, Nathan 11-14-2018 (00:00:06)</b>	NE06.33
135:23 - 136:06	135:18 Q. So what would happen if an 135:19 account manager, on a regular basis, 135:20 failed to meet his or her sales quotas? <b>Elkins, Nathan 11-14-2018 (00:00:16)</b> 135:23 THE WITNESS: I believe that 135:24 is situational. Obviously, we all 136:1 want to be successful. But I 136:2 think there's certain things that 136:3 do happen over time that, you 136:4 know, is excusable. But, you 136:5 know, the standards practice is we 136:6 want to meet sales goals.	NE06.34
136:08 - 136:12	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b> 136:8 Q. At a minimum, we know that 136:9 if a sales representative did not meet 136:10 the quotas, that would impact their -- 136:11 the bonus for that year, right? 136:12 A. There would be --	NE06.35
136:15 - 136:16	<b>Elkins, Nathan 11-14-2018 (00:00:02)</b> 136:15 THE WITNESS: There would be 136:16 a financial impact, yes.	NE06.36
141:04 - 141:08	<b>Elkins, Nathan 11-14-2018 (00:00:09)</b> 141:4 Q. And a big part of the 141:5 success for account managers is to keep 141:6 the customers happy, right? 141:7 A. It's part of the customer 141:8 experience.	NE06.37
141:09 - 141:15	<b>Elkins, Nathan 11-14-2018 (00:00:15)</b> 141:9 Q. So a big part of what these 141:10 account managers are doing is servicing 141:11 the customers to make sure that they stay 141:12 with AmerisourceBergen, right? 141:13 A. Yes. We want to retain our 141:14 existing customers and, you know, 141:15 prospect new customers.	NE06.38
152:01 - 152:03	<b>Elkins, Nathan 11-14-2018 (00:00:06)</b> 152:1 Q. Are sales executives 152:2 compensated for reporting pharmacies	NE06.39

## NE06-Elkins, Nathan - Plaintiffs' Submission

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152:06 - 152:15	<p>152:3 where diversion might be taking place?</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:23)</b></p> <p>152:6 THE WITNESS: Compensated is</p> <p>152:7 a loose word. If they report a</p> <p>152:8 pharmacy, they are doing a part of</p> <p>152:9 their job description, being aware</p> <p>152:10 of red flags, potential red flags</p> <p>152:11 at the customer level.</p> <p>152:12 But compensated, there's not</p> <p>152:13 a bonus for them to do it or not</p> <p>152:14 do it. It's just part of what we</p> <p>152:15 do as our responsibility.</p>	NE06.40
152:17 - 153:01	<p><b>Elkins, Nathan 11-14-2018 (00:00:21)</b></p> <p>152:17 Q. This is actually part of the</p> <p>152:18 job description for the sales executives?</p> <p>152:19 A. I am not sure if it's in the</p> <p>152:20 job description. But the compliance</p> <p>152:21 training that we've all had in</p> <p>152:22 E-learning, and other formats, includes,</p> <p>152:23 you know, what our role is at the</p> <p>152:24 customer level and what our sales team</p> <p>153:1 should be doing.</p>	NE06.41
158:16 - 158:20	<p><b>Elkins, Nathan 11-14-2018 (00:00:11)</b></p> <p>158:16 Q. So if AmerisourceBergen</p> <p>158:17 terminates a contract with a pharmacy</p> <p>158:18 because of suspicious orders, does that</p> <p>158:19 reduce the account manager's sales goals</p> <p>158:20 accordingly?</p>	NE06.42
158:23 - 159:17	<p><b>Elkins, Nathan 11-14-2018 (00:00:38)</b></p> <p>158:23 THE WITNESS: Again, we're</p> <p>158:24 talking about a wide time frame</p> <p>159:1 here.</p> <p>159:2 So if I knew exactly what</p> <p>159:3 time frame you were speaking of,</p> <p>159:4 there's two answers there.</p> <p>159:5 As of today, if a customer</p> <p>159:6 receives a letter from CSRA and</p> <p>159:7 they leave AmerisourceBergen,</p> <p>159:8 those accounts are flagged</p> <p>159:9 non-comp and it does not impact</p>	NE06.43

## NE06-Elkins, Nathan - Plaintiffs' Submission

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	159:10 the sales executive or myself. 159:11 So CSRA does their job, they 159:12 do their due diligence, customer 159:13 leaves us, that goal, or whatever 159:14 the calculation, the quota, I 159:15 think is the word you used, is 159:16 adjusted. It's a net neutral 159:17 impact.	
159:19 - 160:04	<b>Elkins, Nathan 11-14-2018 (00:00:22)</b> 159:19 Q. That change happened when? 159:20 A. Best of my knowledge, 2016, 159:21 FY 2016. 159:22 Q. So that would be October 159:23 1st, 2016? 159:24 A. Yeah. But compensation 160:1 would have to clarify that date for 160:2 certain, because they are the ones that, 160:3 you know, are over all that compensation 160:4 piece.	NE06.44
160:05 - 160:11	<b>Elkins, Nathan 11-14-2018 (00:00:19)</b> 160:5 Q. So the best of your 160:6 recollection, though, since October 1st, 160:7 2016, if AmerisourceBergen terminates a 160:8 pharmacy, a contract with a pharmacy, no 160:9 longer delivers drugs to a pharmacy, that 160:10 would not impact a sales executive's 160:11 bonus compensation, right?	NE06.45
160:14 - 160:15	<b>Elkins, Nathan 11-14-2018 (00:00:03)</b> 160:14 THE WITNESS: Correct. It's 160:15 a net neutral impact.	NE06.46
160:17 - 160:18	<b>Elkins, Nathan 11-14-2018 (00:00:03)</b> 160:17 Q. What was it before that 160:18 change? How did it work?	NE06.47
160:21 - 161:01	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b> 160:21 THE WITNESS: You had your 160:22 overall quota. If a customer was 160:23 to leave, your quota remains the 160:24 same and, you know, the customer 161:1 leaves.	NE06.48
161:03 - 161:05	<b>Elkins, Nathan 11-14-2018 (00:00:04)</b>	NE06.49

## NE06-Elkins, Nathan - Plaintiffs' Submission

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161:08 - 161:08	161:3 Q. They could lose some of 161:4 their bonus compensation, right? 161:5 A. Yeah. It was -- <b>Elkins, Nathan 11-14-2018 (00:00:01)</b>	NE06.50
161:10 - 161:15	161:8 THE WITNESS: Yes. <b>Elkins, Nathan 11-14-2018 (00:00:16)</b> 161:10 Q. So that if the company 161:11 terminated a contract with a particular 161:12 pharmacy because of diversion, that money 161:13 went away and that bonus potential went 161:14 away for the sales executive as well, 161:15 right?	NE06.51
161:18 - 162:06	<b>Elkins, Nathan 11-14-2018 (00:00:24)</b> 161:18 THE WITNESS: The word 161:19 diversion is very loose. The 161:20 company made a decision to, 161:21 whatever, CSRA sends out the 161:22 communication. A lot of times we 161:23 don't even know what that 161:24 communication is, or are even 162:1 copied on it. 162:2 But the customer leaves. 162:3 Then the goal remains the same, 162:4 we're expected to achieve the 162:5 goal. There was no adjustments 162:6 made, to my knowledge.	NE06.52
162:08 - 162:12	<b>Elkins, Nathan 11-14-2018 (00:00:12)</b> 162:8 Q. And had that been the case 162:9 since you started in 2005, that if a 162:10 customer leaves because of CSRA, as you 162:11 call it, that your goal remained the 162:12 same?	NE06.53
162:15 - 162:16	<b>Elkins, Nathan 11-14-2018 (00:00:02)</b> 162:15 THE WITNESS: That's the way 162:16 I recall it.	NE06.54
162:18 - 162:22	<b>Elkins, Nathan 11-14-2018 (00:00:10)</b> 162:18 Q. And did it remain the same 162:19 when you became a sales executive in 162:20 2011, that if a customer left because of 162:21 CSRA concerns, that your goal remained	NE06.55

## NE06-Elkins, Nathan - Plaintiffs' Submission

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163:01 - 163:02	162:22 the same? <b>Elkins, Nathan 11-14-2018 (00:00:02)</b>	NE06.56
163:03 - 163:07	163:1 THE WITNESS: That's the way 163:2 I understand it. <b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.78
163:10 - 163:14	163:3 BY MR. SIMMER: 163:4 Q. And then when you became a 163:5 district director in 2013 until October 163:6 1st, 2016, that was still the same during 163:7 that time period as well, right? <b>Elkins, Nathan 11-14-2018 (00:00:08)</b>	NE06.79
165:09 - 165:12	163:10 THE WITNESS: If 163:11 compensation clarifies that 163:12 October 1st, 2016 date, yes; 163:13 whatever the date the compensation 163:14 clarifies up until that point. <b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.57
165:15 - 165:21	165:9 Q. So if an account closes 165:10 because of a CSRA issue, isn't it correct 165:11 that would make it harder for a sales 165:12 team to reach its sales goal? <b>Elkins, Nathan 11-14-2018 (00:00:08)</b>	NE06.58
165:22 - 166:02	165:15 THE WITNESS: In today's 165:16 environment, there's no impact. 165:17 Prior -- 165:18 BY MR. SIMMER: 165:19 Q. In the prior environment? 165:20 A. Prior to that change, yes, 165:21 you would have to make it up somehow. <b>Elkins, Nathan 11-14-2018 (00:00:10)</b>	NE06.59
166:05 - 166:11	165:22 Q. Do you recall sales 165:23 executives or account managers 165:24 complaining that if they lose an account 166:1 because of a CSRA issue, they were still 166:2 required to meet the same sales goals? <b>Elkins, Nathan 11-14-2018 (00:00:12)</b>	NE06.60
	166:5 THE WITNESS: I don't recall 166:6 complaining. I mean, I think any 166:7 salesperson doesn't want to lose 166:8 an account. But I have full	

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185:10 - 185:16	<p>166:9 confidence that we don't want to 166:10 have customers that aren't doing 166:11 the right thing.</p> <p><b>Elkins, Nathan 11-14-2018 (00:00:14)</b></p> <p>185:10 Q. As part of your job 185:11 function, do you do performance reviews? 185:12 A. Yes, annually. Annually. 185:13 Q. You don't do quarterly 185:14 reviews? 185:15 A. We do mid-year as well, but 185:16 the official one is annual reviews.</p>	NE06.61
187:12 - 187:15	<p><b>Elkins, Nathan 11-14-2018 (00:00:12)</b></p> <p>187:12 Q. As part of the performance 187:13 review, is there also a review of whether 187:14 the particular employee met the company's 187:15 compliance obligations?</p>	NE06.62
187:18 - 187:19	<p><b>Elkins, Nathan 11-14-2018 (00:00:03)</b></p> <p>187:18 THE WITNESS: I don't recall 187:19 that being part of that process.</p>	NE06.63
209:11 - 209:23	<p><b>Elkins, Nathan 11-14-2018 (00:00:20)</b></p> <p>209:11 Q. So that's a note you put in 209:12 the record to just make sure you 209:13 understand why that particular customer 209:14 left, right? 209:15 A. Yeah. Our job is to retain 209:16 customers. If we lose one, we like to 209:17 know why we lost one and learn from it. 209:18 CSRA, it's a whole different 209:19 bucket. 209:20 Q. And you don't want it to 209:21 account against your goals you have 209:22 either, right? 209:23 A. It did for years.</p>	NE06.64
210:02 - 210:07	<p><b>Elkins, Nathan 11-14-2018 (00:00:07)</b></p> <p>210:2 THE WITNESS: It did for 210:3 years, like we spoke about. 210:4 But at some date it changed 210:5 to where that wasn't supposed 210:6 to -- it was a net neutral change 210:7 for the team.</p>	NE06.65

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210:09 - 211:15	<b>Elkins, Nathan 11-14-2018 (00:01:05)</b> 210:9 Q. So what was your final 210:10 percent to goal at the end of the fiscal 210:11 year? 210:12 A. March '18. 210:13 94-point-something percent. 210:14 Q. So it's down over where you 210:15 were in 2017? 210:16 I think we looked at your 210:17 LinkedIn page, you were 108 percent in 210:18 2017. And you're below goal this year? 210:19 A. You're talking two different 210:20 metrics. 210:21 Q. Okay. 210:22 A. TRV, total revenue. This is 210:23 premiere points. 210:24 Q. Okay. Is there a total 211:1 score, percent to goal, that you get 211:2 across your entire team for all of these 211:3 metrics? 211:4 A. It's broken up by percentage 211:5 within -- so, for instance, the sales 211:6 executive, we talked about their salary. 211:7 We talked about their bonus potential 211:8 being 35 percent. 211:9 Of that 35 percent, there's 211:10 TRV this year, there's pro-generic 211:11 dollars this year, there's pro-generic 211:12 units this year, there's gross profit 211:13 this year, there's premiere points. So 211:14 that 35 percent is broken up five 211:15 different ways.	NE06.66
213:06 - 213:23	<b>Elkins, Nathan 11-14-2018 (00:00:34)</b> 213:6 Q. I'm sorry. That last part, 213:7 you just said, "if you lose the goal, you 213:8 lose the points with it." 213:9 Can you clarify that, what 213:10 you mean by that? 213:11 A. So there's a goal for that 213:12 account, right. If they're participating	NE06.67

## NE06-Elkins, Nathan - Plaintiffs' Submission

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	213:13 in solutions, they're getting some credit 213:14 for the points. If the goal goes away, 213:15 you don't get to keep the points with it. 213:16 So it all moves out. 213:17 Q. So if you lose a customer 213:18 due to CSRA issues, you lose their points 213:19 as well, even under the new regime that 213:20 the company has implemented? 213:21 A. That's the way I understand 213:22 it. Compensation can clarify that, but 213:23 that's the way I understood it.	
213:24 - 214:02	<b>Elkins, Nathan 11-14-2018 (00:00:04)</b> 213:24 Q. It doesn't sound like it's 214:1 compensation neutral if you lose the 214:2 points if you lose the customer?	NE06.68
214:05 - 214:06	<b>Elkins, Nathan 11-14-2018 (00:00:02)</b> 214:5 THE WITNESS: Compensation 214:6 would have to answer that.	NE06.69
214:08 - 214:17	<b>Elkins, Nathan 11-14-2018 (00:00:19)</b> 214:8 Q. Am I right, though, that it 214:9 looks like you lose points because a 214:10 customer left, you lose your ability to 214:11 meet the goal, too, right? 214:12 A. It depends on an exact 214:13 account's circumstance. I wouldn't say 214:14 that's a generalization, but each account 214:15 is going to be different. 214:16 Q. But you agree with my 214:17 general proposition, right?	NE06.70
214:20 - 214:20	<b>Elkins, Nathan 11-14-2018 (00:00:01)</b> 214:20 THE WITNESS: I don't.	NE06.71
214:22 - 215:16	<b>Elkins, Nathan 11-14-2018 (00:00:33)</b> 214:22 Q. I'm just going by what you 214:23 said. 214:24 If you lose the points, you 215:1 lose the goal. That's what you said, 215:2 right? 215:3 A. Meaning that if you lose the 215:4 goal, you don't get a double dip and keep 215:5 the points. So it's consistent. If you	NE06.72

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215:6 lose the goal, you lose the points.  
215:7 What points a given account  
215:8 has is determined on a given day basis,  
215:9 depending on what program they  
215:10 participate in on that given day.  
215:11 It could be they had two  
215:12 points. It could be they had ten points.  
215:13 I don't know. I would have to have an  
215:14 exact example and compensation would have  
215:15 to look at the exact account to be able  
215:16 to tell you that answer.

Plaintiffs Affirmative Designations = 00:12:44

Plaintiffs Counter Counters = 00:01:35

Defense Completeness Counters = 00:06:42

**Total Time = 00:21:02**

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